



A.B. Won Pat
International Airport Authority, Guam

AIRPORT REPORT



2006 PACIFIC AVIATION
DIRECTORS' WORKSHOP

Tamuning, Guam
April 4-6, 2006



Traffic Activity

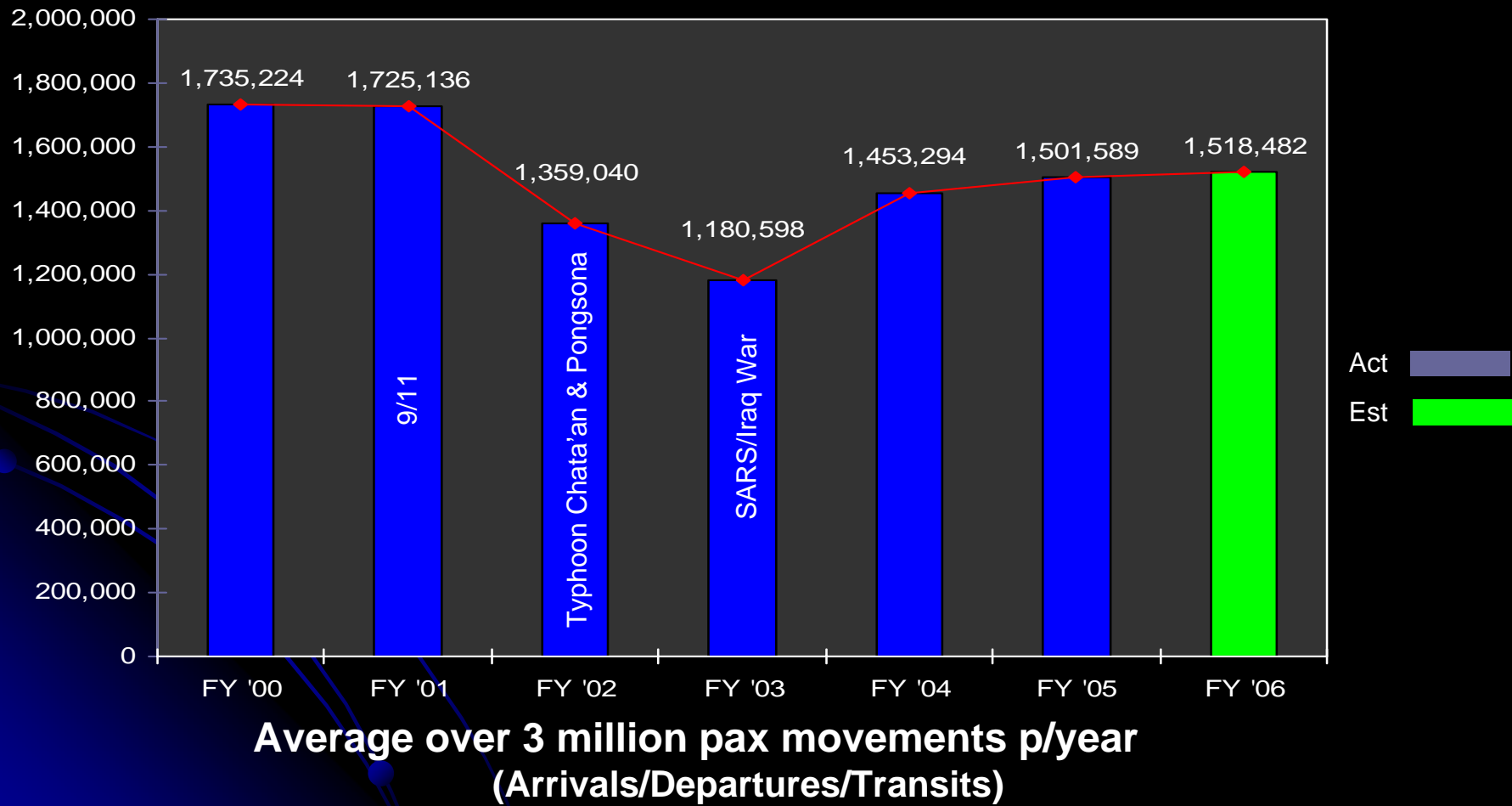
- ✈️ Guam's aviation activity has seen steady growth Y-O-Y
 - Guam's passenger traffic reflects the current state of the world's economies and is influenced by global events, particularly those that affect the Asian region
- ✈️ Passenger Activity for FY 2005 (Oct '04-Sep '05)
 - Annual enplanements (Departures & Transits) equaled to 1,501,589 passengers
 - 3.3% increase vs. FY 2004 figures
 - 13.5% below pre-9/11 enplaned passenger levels
 - Annual arrivals equaled to 1,318,568
 - 4.9% increase vs. FY 2004 figures
 - FY 2006 enplanements estimated growth of 1.1% vs. FY 2005 – 1,518,482





Traffic Activity

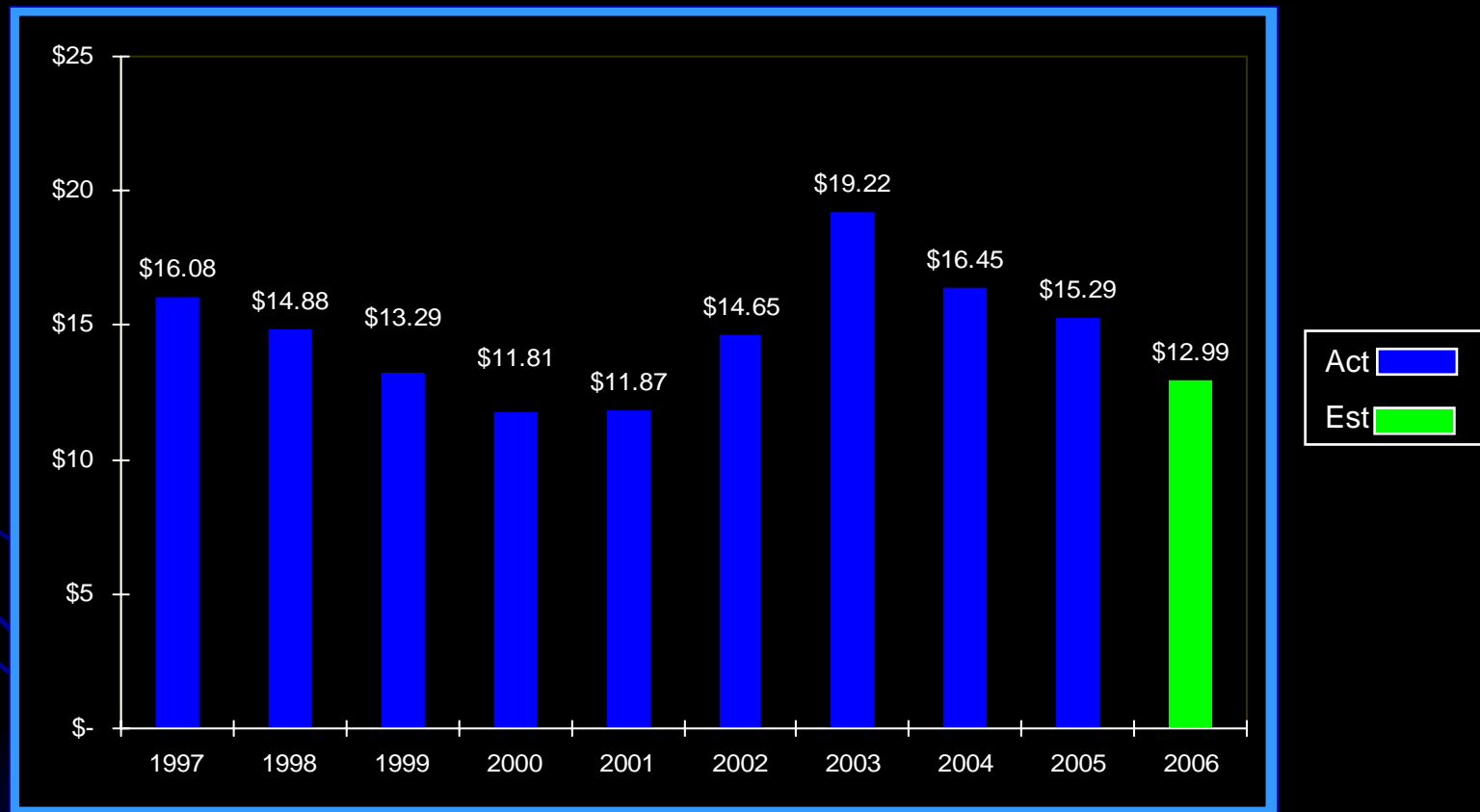
Total Enplaned Passenger Fiscal Year ending September 30th





Cost p/Enplaned Passenger

Average airline costs structure for Guam has been effectively managed over the past years resulting in favorable rates....



...that are competitive with other Asian airports (e.g., Narita and Kansai: \$25-30 per enplaned passenger)



Airport Designation

✈ **FAA Airport Designation:** Small Hub Airport

✈ FAA Funding:	<u>FY 2005</u>	<u>FY 2006</u>
Entitlements:	\$4.2M	\$4.4M
Discretionary (NCP):	1.9M	5.0M
MAP:	<u>4.1M</u>	<u>TBD</u>
	\$10.2M	\$9.4M

✈ **Sponsor Share:** 5% until 2007

✈ **Military Airports Program (MAP):** Designated in FY 2005 through FY 2007





Terminal Capacity

✈ Terminal:

- 767,553 square feet with 76 ticket counter positions
- 48 immigration stations and 42 customs inspection stations
- Processing capacity of 5,000 international passengers/hour

✈ Gates:

- 21 aircraft parking positions with 18 common use terminal gates





Airfield Capacity

- **Primary Runway – 10,000 ft**
 - Design underway for 2,000 feet runway strengthening and extension to accommodate trans-Pacific flights
- **Secondary Runway – 10,000 ft**
 - Extension completed 2005
- **Parallel Taxiway**
 - Phase I substantially completed Mar 2006





Management Actions and Financial Results





Management Initiatives for FY 2006

- ✈ Passed FY '06 Budget of \$26.5M
 - 8.1% decrease from FY '04 O&M budget of \$28.9M
 - Increase in personnel expenses due to unfunded TSA security mandates
- ✈ Maintain reasonable airline user charges
 - FY '06 budget is \$12.99 p/enplaned pax – 15% decrease from FY '05 Actual of \$15.29 p/enplaned pax
- ✈ Continue sound management of expenses
 - Y-T-D actual vs. budget O&M expenses reflect a .4% decrease for the first five months of FY '06 ending February 28, 2006
- ✈ Seek credit rating upgrade
 - Presentation scheduled for May/June 2006 rating agencies
- ✈ **Ongoing development and execution of revenue enhancement program**
 - Increase in non-airline revenue streams
 - Execute revise agreement with concessionaire – additional \$800K p/year
 - Property Development (Industrial Park, Tiyan Properties, South Ramp)
 - Construction of new GIAA Retail Spaces
 - Seek legislation for establishment of Gaming Zone



Management Initiatives for FY 2006

✈ Improve passenger facilitation at Airport terminal

- Work with airline partners, industry stakeholders and community groups
- Improve and expedite FIS experience
 - Reduce “Hassle Factors” from TSA, CQA & INS screening measures
- Ayudanten Puetton Batkon Airen Guahan (Ambassador Program)
- Cultural Promotions and Passenger Satisfaction Program
- Enhance passenger experience at airport
 - NASA Exhibit



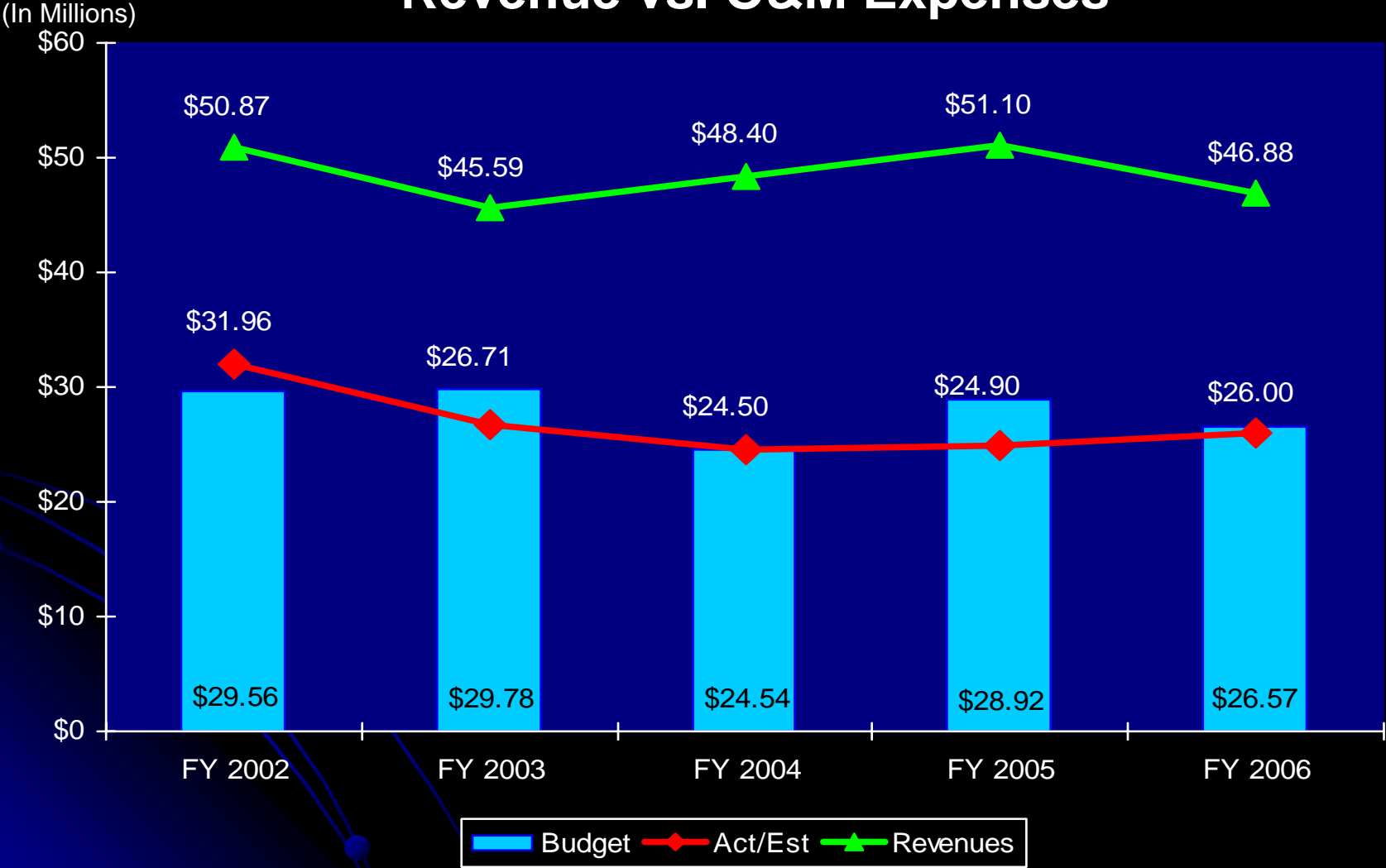
✈ Position Guam as major transportation hub in region

- Initiate negotiations with regional airlines (i.e. Cathay Pacific, China Eastern Airline, etc.) to develop air services into Guam
- Work with LCCs to develop air services into Guam
- Work with Legacy carriers to use Guam as a major transshipment hub
- Host industry conferences for Airport and Aviation Leaders
- Expanded Air Services
 - Formal Petition filed w/USDOT February 2006



Financials

Revenue vs. O&M Expenses



Source: GIAA Accounting
*Figures are based on FY '02-05 audited financials and FY '06 Budget/Est.



Capital Improvement Program

- GIAA has a total of 80 projects inclusive of construction, planning studies and equipment purchases
 - The bulk of the projects are related to airfield improvements and typhoon repairs or mitigation and have been initiated
 - \$123M in projects over the next 18 months
 - GIAA has contracts with 14 architect-engineering firms to perform planning, design and construction management services
- GIAA will continue to move forward with projects that are either federally funded or essential to the Airport's primary function
 - The CIP is 95% FAA funded and does not require the issuance of debt
 - All other projects will be deferred until additional sources of funding become available





Capital Improvement & Infrastructure Projects



<u>✈ Airfield Infrastructure</u>	<u>Status</u>
- RWY 6L/24R Earthquake Repairs	Completed 2005
- Airfield Electrical Systems	Completed 2005
- RWY 6R/24L Extension Phase II	Completed 2005
- Perimeter Security Road	60% Design
- Parallel Taxiway	
Phase I (Repackaged)	Substantially complete
Phase II w/ILS and RWY 6L/24R ext.	Status Quo
- AOA Perimeter Fence	Work-in-Progress



Capital Improvement & Infrastructure Projects



DHL EXPRESS PACKAGE FACILITY



CMI NARROW BODY MAINTENANCE HANGAR

- ✈ Aviation Related Facilities
- CMI Maintenance Hangar Repair
 - ARFF Facility Upgrade
 - DHL Express Package Facility
 - Air Cargo Warehouse
 - Security Upgrade
 - Typhoon Repair
 - Nose Dock Hangar Repair

- Status
- Completed
 - Completed
 - Completed
 - Completed
 - Completed
 - Completed
 - Completed



Capital Improvement & Infrastructure Projects

✈ Terminal Facilities

- DFS Concession Core Improvements
- GIAA Retail Spaces
- Cooling Tower Rehabilitation
- Passenger Screening Checkpoint
- Landside Electrical Systems
- Repainting of Main Terminal
- Passenger Loading Bridges

Status

- Complete
- Complete
- Complete
- Substantially complete
- Work-in-progress
- Work-in-progress
- Complete

✈ Other Projects under Design or Development of Specs

- Outbound Baggage Diverters
- Aircraft Passenger Stairway
- Consolidated Maintenance Facility
- Car Rental Facility Improvements
- Upgrade of Utility Infrastructure
- Exterior & Manual Glass Panel/Door Hardening
- Utility Power Hardening for Critical
- Airport Facilities Seismic Zone Upgrade

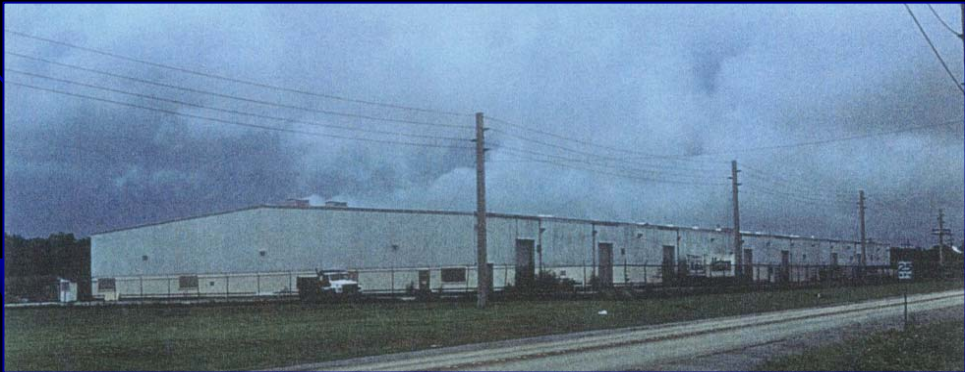




Capital Improvement & Infrastructure Projects

➤ Other Notable Projects

	<u>Status</u>
➤ Tiyan Warehouse Typhoon Repair	Complete
➤ Na' La' Bonita Roadway Beautification Program	Work-in-Progress
➤ Energy Management Plan	RFP under revision
➤ General Aviation Site Selection Study	Work-in-Progress
➤ Underground Power Relocation	Pre-Final Design
➤ Tiyan Housing Demolition & Renovation	Preliminary Engineering

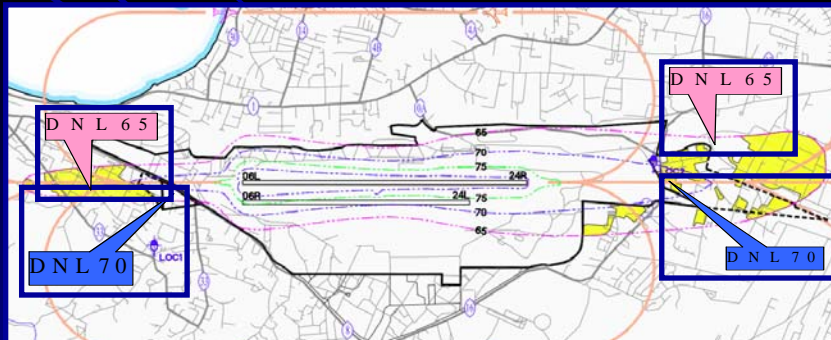




Capital Improvement & Infrastructure Projects

✈ Noise Compatibility Program

- Acquisition or acoustical treatment of residential, schools and other public buildings
 - \$14M over the next 10-years
 - All work to include design, installation, construction and acoustical monitoring to take place on-island
- Infusion of federal funds into local economy
 - \$14M over the next 10-years
 - All work to include design, installation, construction and acoustical monitoring to take place on-island
- Zero cost to homeowners
 - Insulation to improve existing structures and enhance value of property
 - Potential savings in energy consumption for homeowner
- Status
 - Land Acquisition – “Housing of Last Resort” option in progress
 - Acoustical treatment – Pilot Phase in progress.





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